

M

COMPANIES FORM No. 395

222720/10

Particulars of a mortgage or charge

395

A fee of £10 is payable to Companies House in respect of each register entry for a mortgage or charge.

CHFP025

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use

Company number

Name of company

* VANTICO HOLDING LIMITED ("VHL")

Date of creation of the charge

30 JULY 2003

Description of the instrument (if any) creating or evidencing the charge (note 2)

PLEDGE AGREEMENT OVER THE QUOTAS IN VANTICO S.r.l. BETWEEN HUNTSMAN
ADVANCED MATERIALS (BELGIUM) BVBA ("HAM (BELGIUM)"), VHL AND DEUTSCHE
BANK AG, NEW YORK BRANCH (THE "SHARE PLEDGE")

Amount secured by the mortgage or charge

THE SECURED OBLIGATIONS AS DEFINED IN THE ATTACHED CONTINUATION SHEETS

Names and addresses of the mortgagees or persons entitled to the charge

DEUTSCHE BANK AG, NEW YORK BRANCH, 31 WEST 52nd STREET, NEW YORK, NY
10019, UNITED STATES OF AMERICA ("DB")

Postcode

Presentor's name address and
reference (if any):

Herbert Smith
Exchange House
Primrose Street
London
EC2A 2HS

30837843/2836/322538

Time critical reference

For official Use
Mortgage Section

Post room



A03
COMPANIES HOUSE

0268
13/08/03

SEE ATTACHED CONTINUATION SHEETS

Please do not
write in
this margin

Please complete
legibly, preferably
in black type, or
bold block
lettering

Particulars as to commission allowance or discount (note 3)

N/A

Signed

Herbert Smith

Date 12 AUGUST 2003

On behalf of ~~[company]~~ ~~[mortgagee]~~ (chargee) †

A fee of £10 is
payable to
Companies House
in respect of each
register entry for a
mortgage or
charge.
(See Note 5)

† delete as
appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 Cheques and Postal Orders are to be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is:-

Companies House, Crown Way, Cardiff CF14 3UZ

Short Particulars of all the property mortgaged or charged**1. PLEDGE OVER QUOTAS (Clause 2 of the Share Pledge)**

VHL irrevocably grants in pledge, jointly and indivisibly, in favour of each of the Secured Creditors, as security for the Secured Obligations, the Quota of which it is holder and the Connected Rights (the "**Pledge**") relating thereto, and in particular VHL grants a pledge over the whole of the quota of Vantico S.r.l. that it holds, forming a participation equal to 1 per cent. of the share capital of the Company, jointly and indivisibly for the benefit of the Secured Creditors and as security for the Secured Obligations for a maximum amount of Euro 200,000.00 (two hundred thousand).

2. RIGHTS ATTACHING TO THE SHARES (INCLUDING DIVIDENDS) (Clause 8.1 of the Share Pledge)

In express derogation of Article 2971 of the Civil Code, the payment of dividends and all other yield in relation to VHL's Quota shall be made in favour of VHL, provided that no Default Action is taken. In such circumstances, all dividends and all other yield payable by the Company in relation to VHL's Quota (even if resolved upon prior to the Default Action been taken) shall be paid to the Collateral Agent on behalf of the Secured Creditors.

The Share Pledge also contains the following provision:

3. UNDERTAKINGS / NEGATIVE PLEDGE

VHL shall, except as permitted under the Secured Agreements, not consent to the creation of any privilege, encumbrance or third-party right, as security or otherwise, in relation to the Quotas or the Connected Rights, with the exception of the rights and privileges provided directly and exclusively by the action of law.

4. DEFINITIONS

"**Borrowers**" means certain of the subsidiaries of Huntsman Advanced Materials LLC which may accede to the Credit Agreement as additional borrowers.

"**Buyer**" means Huntsman Advanced Materials LLC.

"**Civil Code**" means the Italian Civil Code, as approved by Royal Decree No. 262 of 16 March 1942, as subsequently amended and supplemented.

"**Collateral Agent**" means DB, in its position as common representative of the Secured Creditors pursuant to Clause 13 of the Share Pledge.

"**Company**" or "**Vantico S.r.l.**" both mean Vantico S.r.l., a company incorporated in Italy, with registered office at Largo Umberto Boccioni 1, Origgio (VA), with a share capital of Euro 516,400.00, No. 02573120124 on the Companies Register of Varese, tax code No. 02573120124.

"**Connected Rights**" means, in relation to each Quota, all dividends, sums of money, option, conversion and exchange rights, and all other rights and assets conferred or to

be conferred, or otherwise received or receivable, in relation to or in exchange for the Quota, also following any increases or decreases of the share capital of the Company, or any extraordinary conversions, mergers or de-mergers, or its liquidation, and any profit or revenue arising out of any of the above, including any revenue or payment for any alienation of the Quota or any rights connected, being understood that, provided that no Default Actions are taken, VHL has the right to receive the dividends pursuant to Clause 8.1 of the Share Pledge.

"Credit Agreement" means that certain US\$60,000,000 credit agreement dated June 30, 2003 among Huntsman Advanced Materials LLC, certain borrowers, DB as Administrative Agent and certain lenders specified therein, as amended and supplemented from time to time.

"Default Action" means any of the actions that DB as Administrative Agent may take under section 10.1 of the Credit Agreement in case an Event of Default (as defined in the Credit Agreement) occurs.

"Initial Purchasers" means Deutsche Bank Securities Inc. and UBS Securities LLC.

"Notes" means the fixed-rate and floating-rate notes sold by the Buyer to the Initial Purchasers.

"Purchasers" means Deutsche Bank Securities Inc. and UBS Securities LLC.

"Quota" means the quota of the share capital of Vantico S.r.l. owned by VHL.

"Secured Agreements" means:

- (a) the Loan Documents (as defined in the Credit Agreement); and
- (b) the Second Priority Notes Documents (as defined in the Credit Agreement).

"Secured Creditors" means DB, UBS AG, Cayman Island Branch, CIBC Inc., Credit Suisse First Boston, Cayman Island Branch, each other bank or other financial institution becoming a party to the Credit Agreement, pursuant to a transfer in accordance with the provisions of the Credit Agreement, the Trustee on behalf of all holders of the Notes, the Purchasers under that certain purchase agreement dated June, 30 2002, between, inter alia, HAM (Belgium) and the Initial Purchasers and each other holder of the Notes and direct or indirect transferee of the Initial Purchasers.

"Secured Obligations" means all claims, existing or future, of the Secured Creditors or any of them, arising in any way from the Secured Agreements vis-à-vis the Borrowers in relation to, including, by way of example:

- (a) all sums due as repayment of capital or as payment of interest, including accrued interest and default interest;
- (b) all sums due as reimbursements of expenses, commission, termination payments, damages, other amounts, and for the payment of tax duties and

indemnities (including any additional sums due as a result of any increase in taxes);

- (c) any recourse for the recovery of amounts that any of the Secured Creditors may have paid to third parties in exercising letters of credit or guarantees issued by such Secured Creditors in favour of third parties in relation to the Credit Agreement;
- (d) all claims arising out of any sum being found to have been unduly paid as a result of the nullity, cancellation or other invalidity or ineffectiveness of any of the Secured Agreements;
- (e) any claim for expenses or charges incurred in connection with the recovery, whether by judicial, recovery or extrajudicial proceedings of sums due to the Secured Creditors or any of them;
- (f) any claim of any of the Secured Creditors arising out of any revocation proceeding in relation to any payment made in performance of the Secured Obligations, or any declaration that any such payment is ineffective or unenforceable, in whole or in part;
- (g) all claims arising out of any use outside the credit limits permitted by the Secured Agreements or after the expiry of the time limits originally imposed therein, or after any notice or rescission or termination of such contractual arrangements;
- (h) all claims arising in favour of the Secured Creditors pursuant to the Secured Agreements; and
- (i) all future or existing claims that any of the Secured Creditors may have in their capacities as Arranger, Facility Agent or Security Agent (each as defined in the Credit Agreement) pursuant to Secured Agreements, including any for the payment of commissions or reimbursement of expenses incurred in the performance of such duties;

remaining understood that the security granted by VHL secures and will secure the Secured Obligations only for a maximum amount of Euro 200,000.00 (two hundred thousand).

"Trustee" means Wells Fargo Bank Minnestoa, National Association.

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

COMPANY No. 03870678

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A PLEDGE AGREEMENT DATED THE 30th JULY 2003 AND CREATED BY VANTICO HOLDING LIMITED FOR SECURING ALL MONIES UP TO A MAXIMUM AMOUNT OF EURO 200,000.00 DUE OR TO BECOME DUE FROM THE BORROWERS TO THE SECURED CREDITORS OR ANY OF THEM UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 13th AUGUST 2003.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 18th AUGUST 2003.

P. Umm



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES